

*Before the*  
UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Coyote New Mexico Post Office  
Coyote, Texas 77961

Docket No. A2011-74

PUBLIC REPRESENTATIVE'S REPLY COMMENTS

(November 25, 2011)

I. INTRODUCTION

This case addresses an appeal of the Postal Service's decision to close the Coyote, New Mexico Post Office and to provide former patrons of that office with highway contract service out of the La Jara Post Office, which is located 32 miles away, and with cluster box unit (CBU) service. A parcel locker may be installed. See Administrative Record /Item No 47 at 2.<sup>1</sup> There will be no retail Postal Service outlet in Coyote after the closing, but retail services will be available 4 miles away at the Youngsville Post Office.<sup>2</sup> AR/Item No. 1 at 1.

The Commission accepted an appeal of the Postal Service's decision from Manuelita Trujillo on behalf of the Concerned Citizens of Coyote, New Mexico (Trujillo Petition).<sup>3</sup> Petitioner Trujillo asserts that the post office is a life line to most of the community, as Coyote is mostly made up of elderly people who need assistance with bill paying and other matters. She also states that some patrons may not know English, may have other literacy issues, and that that some can no longer drive. Trujillo Petition

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<sup>1</sup> Item 47 is the Final Determination. For readability, further citations to the Administrative Record typically use the abbreviation "AR."

<sup>2</sup> Given the availability of retail services at Youngsville, the distance between Coyote and La Jara is not considered a material issue in this case.

<sup>3</sup> See Notice and Order Accepting Appeal and Establishing Procedural Schedule, September 20, 2011 (Order No. 861). Order No. 861 appears at 76 FR 59452 (September 26, 2011).

at 1. The Trujillo Petition was refiled (with additional signatures) on September 21, 2011.<sup>4</sup>

## II. APPLICABLE LAW

The Commission is aware of the standards that apply to its review of appeals of post office closing decisions. These Reply Comments therefore incorporate by reference the recitation of standards and law in Commission Order No. 974 at 6 (Part V) in Docket No. A2011-34, Innis, Louisiana.

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<sup>4</sup> The re-filed Petition and other Petitions appear under “Comments” in the Commission’s electronic record for this case.

### III. CURRENT AND PROPOSED POSTAL OPERATIONS IN COYOTE

The following table, developed from documents in the Administrative Record, presents selected data and information about current Coyote Post Office operations.

Table 1  
Coyote (New Mexico) Post Office  
Selected Operational Data and Information

<b>Staffing</b>	<b>Current</b>
Postmaster Position	Vacant since postmaster's promotion on March 1, 2009
Officer in Charge	Noncareer postmaster relief; may be separated
<b>Customers</b>	
P.O. Box or General Delivery	91
City Delivery Customers	0
Meter or Permit Customers	0
General Delivery, Rural Route and Highway Contract Route	0
<b>Retail Operations</b>	
Days of Operation Monday through Friday?	Yes
Window Service Hours	8 a.m. to 1:30 pm and 2 – 4:30 pm
Lobby Hours	24 hours
Saturday?	Yes
Window Service Hours	9:30 a.m. to 11:30 a.m.
Lobby Hours	24 hours
Seasonal Workload?	No
Average daily retail window transactions/daily workload	7 transactions/6 minutes
<b>Bulletin Board</b>	Yes

Source: Adapted from AR, Item No. 47 at 2 and 6.

If the Coyote Post Office closes, Coyote residents will receive highway contract route service, CBUs, a possible parcel locker. AR/Item No. 47 at 2. The route will operate, administratively, out of La Jara, 32 miles away. *Id.* Another post office, Youngsville, is 4 miles away. AR/Item No. 1 at 1. The Postal Service indicates that the community bulletin board currently maintained at the Post Office can be moved to the volunteer fire department after the closing. AR/Item No. 16 (response to question 6).

#### IV. MATTERS THAT PERTAIN TO THE INTERESTS OF THE GENERAL PUBLIC

Petitioner Trujillo and the Concerned Citizens of Coyote clearly state their concerns about the impact that the post office's closing on the elderly, especially those with literacy issues or driving difficulties. Responses to the questionnaire also address these and other concerns, such as why Coyote is being closed, rather than Youngsville. See, for example, AR/Items No. 22D, 22R, and 22AH.

The Administrative Record indicates that the Postal Service satisfied applicable notice requirements and held a community meeting. AR/Item Nos. 24 and 48. No patron challenges these points.

The focus of these Reply Comments is on matters the undersigned considers within the scope of the interests of the general public in this case. These include:

- in connection with the effect on the community, additional information about Coyote, New Mexico and the impact on newspaper delivery;
- certain discrepancies in the economic analysis; and
- the adequacy of the Postal Service's response to customers' questions about why Coyote is being closed rather than Youngsville and whether the alternative of shorter hours was considered.

A. Location of the Community and Effect of Closing on Community

*Background.* Coyote is an unincorporated community in northern New Mexico, located in Rio Arriba County. AR/Item No. 47 at 6. Rio Arriba is one of the original nine counties established in 1852 for the Territory of New Mexico. The county's name is Spanish for "upper river," signifying its location on the Rio Grande.<sup>5</sup>

*Impact on newspaper delivery.* The Survey of Incoming Mail, which the Postal Service typically provides as part of the Administrative Record, is especially interesting in this case because it shows that Coyote patrons continue to receive a considerable amount of their news through the mail. Specifically, during the designated two-week period, the Survey shows that patrons received 421 newspapers the first week and 485 newspapers the second week. AR/Item Nos. 11A and 11B. The total (over 900) points to the existence of a large number of patrons who apparently continue to value receiving their news via the mail.

As newspapers are time sensitive material, the impact of the change in service on delivery is of particular interest for the patrons of Coyote. In this case, the Postal Service expects the closing to push back delivery by one hour, as the Administrative Record includes information stating that the carrier currently begins delivery to the community at 10:15 a.m., and that closing this office will mean starting 60 minutes later start. AR/Item No. 15 (Post Office Survey Sheet) (response to question 13(f). More specifically, the Post Office Survey Sheet states: "An HCR driver comes from Cuba to LaJara, Regina, Gallina, Coyote then Youngsville. Dispatch is picked up in the reverse. The HCR will case Coyote's mail in Youngsville then deliver on the way back to Cuba." *Id.* (response to question 8).

The one-hour delay should not materially interfere with delivery of time-sensitive newspapers; however, should other changes occur, such as plant processing decisions or additional closings of nearby offices, it would be useful if the Postal Service would re-

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<sup>5</sup> See <http://rioarriba.nmgenweb.us/> and <http://www.fs.fed.us/r3/sfe/districts/coyote/index.html>.

evaluate the order in which mail is dispatched, giving as high a priority as possible to earlier delivery to communities receiving more newspapers and magazines.

*Responsiveness to patrons' concerns.* In this case, as in others, some respondents to the questionnaire ask why their post office was selected for closing over others. Another asks whether shorter hours are an option. AR/Item No. 22BH. The Postal Service's answers provides no specifics; instead, they are simply stock responses. These types of question warrant responses tailored more closely to providing patrons with concrete information about the Postal Service's rationale and whether certain alternatives were considered.

V. Financial Matters: Recent Revenue Trend and Estimated Economic Savings

*Revenue.* According to the Postal Service, receipts at the Coyote Post Office (as shown in the following table) have declined over the past 3 years:

**Table 1**  
**Coyote Post Office**  
**Revenue Trends**

Year	Amount (in \$)
FY 2008	17,358
FY 2009	14,284
FY 2010	12,353

*Source:* Administrative Record, Item No. 47 (Final Determination) at 2.

*Anticipated savings.* The Postal Service estimates that closing the Coyote Post Office will generate annual savings of \$43,408. This estimate is based on elimination of an EAS-11 Postmaster's salary and benefits (represented as \$33,168 and \$11,111) and elimination of annual lease costs of \$3,435, offset by the annual cost of replacement service (\$4306). *Id.*

The Commission has repeatedly encouraged the Postal Service to provide more accurate, consistent, and transparent savings estimates. In this instance, the Postal Service recognizes a cost for replacement service. This is an improvement, as this cost has not always been provided or adequately documented. However, there is a facial discrepancy on the record over whether the facility (a trailer in this case) is owned by the Postal Service or is leased. For example, AR/Item No. 18 (Fact Sheet)/block 16a shows a responses of “Yes” to “leased,” an expiration date of 5/31/2015, and an annual lease expense of \$3435. In addition, a box is checked indicating there is no 30-day cancellation clause. This may not mean that the Postal Service is fully obligated for the remainder of the lease, as other early cancellation rights may pertain; however, the record is unclear. More importantly, however, question no. 3 and the response in AR/Item No. 15 (Post Office Survey Sheet) reads: “Lease terms? 30-day cancellation clause?” “This is a post owned trailer.”

Also, the annual savings estimate does not include a one-time expense of \$6000 for what is referred to, in one place, as covering “the movement” of this facility (presumably the trailer) and, in another, as the cost of cluster boxes and a parcel locker. *Compare* AR Item 47 at 6 with AR/Item No. 15 at page 2.

The savings estimate also does make not provision for the possibility that the noncareer employee’s salary (even if lower than the Postmaster’s salary used in the estimate) may continue to be incurred at another facility.

Apart from this, the Survey of Dispatched Mail appears to have an arithmetic error in the total for parcels (68 instead of 14). This results in a corresponding error in the daily average. AR/Item No. 12. This is an obvious, but harmless, error in itself, but — in combination with other errors — tends to undermine public confidence the Postal Service’s representations and conclusions.<sup>6</sup>

The Commission has expressed its interest in obtaining better savings estimates from the Postal Service in “A” cases. The Commission’s point is well taken, as development of a more accurate and comprehensive estimate is in the Postal Service’s

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<sup>6</sup> In addition, the Survey of Dispatched Mail (AR/Item No. 12A) records dispatch of 46 newspapers during the survey period, despite the fact that AR/Item No. 15 Question 3 indicates that there are no permit customers.

interest, as well as in the interests of the general public. In this instance, the discrepancies do make a material difference in the ultimate outcome. However, the fact that the Postal Service exhibits no interest in filing errata to correct obvious mistakes is contrary the interests of the general public in as accurate a record as possible under the circumstances. As preparation of the Administrative Record involves several layers of internal review, it would be useful if the Commission would encourage the Postal Service to submit errata in A cases addressing discrepancies, such as the status of the trailer and the previously-noted error on a Dispatch Survey. Failure to correct these types of errors undermines the accuracy of the record before the final Headquarters decisionmaker, and may affect the soundness of his or her decision.

## VI. CONCLUSION

Review of the Postal Service's Final Determination, other materials in the Administrative Record, and arguments presented by the Petitioner and others presents a situation where patrons are loath to lose their post office and express concerns that special needs, such as those of the elderly and non-English speakers, will not be met by the proposed alternative. With three exceptions, the Postal Service has demonstrated how it intends to respond to their concerns, given its overall conclusions about its long-term financial prospects.

The exceptions are an absence of an adequate response to how the needs of non-English speakers will be met; why Coyote was selected for closure over Youngsville; and whether shorter hours (perhaps at both Coyote and Youngsville

It is possible that local carriers will have a working familiarity with Spanish, so this is not a reason to remand the decision. However, it would be useful if the Commission would strongly encourage the Postal Service to address patrons' inquiries about the decision to close one office over another with specificity. It presumably has valid reasons for making such decisions, and it is in the public interest to inform patrons of these metrics. The Postal Service should also be encouraged to tell patrons whether it considered alternatives, such as shorter hours.



Finally, this is not the first instance in which obvious and contradictory data and information appears in the Administrative Record. While some errors are understandable, allowing a discrepancy over a basic matter, such as whether the trailer is owned or leased, to remain uncorrected undermines confidence that the Headquarters decisionmaker gave any consideration to the contents of the Administrative Record presented for review. Similarly, the Postal Service should strive to be more forthcoming on the extent of obligations it may incur under lease obligations. The obligation in this case is unclear, and may extend to 2015.

Respectfully submitted,

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